DULHASTI HYDEL PROJECT

2657. SHRI E. BALANANDAN : Will the Minister of Power be pleased to refer to answer to Unstarred Question 580 given in Rajya Sabha on 7-12-1993 and to state :

(a)) whether Government of India are going to restart the work in Dulhasti Hydel Power Project with Indian Contingent of Workers and engineers of NHPC; and

(b) if so, when ?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI P. V. RANGAYYA NAIDU) : (a) and (b) Discussions with the French Consortium on the framework for restarting the work at Dulhasti Hydro-electric Project site are under progress.

PERFORMANCE GUARANTEES FROM FOREIGN COMPANIES

2658. DR. NAUTIHAL SINGH : Will the Minister of Power be pleased to state:

(a)) whether it is a fact that the international banking consortia are insisting on performance guarantees before extending credit to foreign companies which are keen on setting up power plants in India;

(b) what are those guarantees, the details thereof; and

(c) whether Government have given a nod to guarantees for loans taken by the proposed investors; what kind of assurance have the Government given in this respect; the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI P. V. RANGAYYA NAIDU) : (a) and (b) Prospective private power companies have indicated that Banks and Financial Institutions from whom they are likely to raise funds for power projects may insist on guarantees by GOI for the payment obligations of SEBs.

(c) On a request made by the concerned state Goiernment, Goi may consider extending a counter-guarantee for the payment obligations of SEB which have been guaranteed by State Governments, subject to certain conditions.

FOREIGN INVESTMENT IN POWER SECTOR

2659. SHRI SURESH PACHOURI : Will the Minister of Power be pleased to state:

(a) whether he had visited UK and USA to seek foreign investment in power sector;

(b) if so, what is the outcome of the visit; and

(c) to what extent the US and UK have agreed to invest in power sector during the year 1993-94 ?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI P. V. RANGAYYA NAIDU) : (a) Yes Sir.

(b) The outcome of the visit is very satisfactory, in terms of attracting investments from U.K. and USA into the Power Sector.

(c) As on date private firms belonging to USA and UK have shown interest in setting up of 24 power projects amounting to 15366 MW costing Rs 49871.00 crores. To what extent the investment would materialise during 1993-94 would depend on the financial closure of the respective projects.

AMENDING LOANS GOVERNING FOREIGN INVESTMENT IN POWER SECTOR

2660. SHRI SURESH PACHOURI : Will the Minister of Power be pleased to state: